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LEGISLATIVE HISTORY

Public Law 638--77th Congress

Chapter 461--2d Session

S. 2558

TABLE OF CONTENTS

Digest of Public Law 638	1
Index and Summary of History on S. 2558	1

DIGEST OF PUBLIC LAW 638

AMENDMENT TO LAW AUTHORIZING EXPORT CONTROL. Continues authority to control the exportation of certain commodities until June 30, 1944, or such earlier date as Congress or the President may designate. Amends the act of July 2, 1940, so as to include technical data, etc. Provides that this function shall be performed by the Board of Economic Warfare, unless the President otherwise directs.

INDEX AND SUMMARY OF HISTORY OF S. 2558

May 28, 1942	S. 2558 was introduced by Senator Reynolds and was referred to the Senate Committee on Military Affairs. Print of the bill as introduced.
June 5, 1942	Hearings: Senate, S. 2558.
June 8, 1942	Senate Committee reported S. 2558 with amendments. Senate Report 1446. Print of the bill as reported.
June 15, 1942	S. 2558 was discussed in the Senate.
June 18, 1942	S. 2558 was discussed and passed the Senate with amendments.
June 22, 1942	S. 2558 was discussed and passed the House without amendment.
June 30, 1942	Approved. Public Law 638.





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Vol. 88

WASHINGTON, THURSDAY, MAY 28, 1942

No. 102

Senate

(Legislative day of Tuesday, May 26, 1942)

The Senate met at 12 o'clock noon, on the expiration of the recess, and was called to order by the President pro tempore.

Rev. Peter Marshall, D. D., pastor of the New York Avenue Presbyterian Church, Washington, D. C., offered the following prayer:

Our Father in heaven, before whom all hearts are open, and from whom nothing is hid, lend us Thy grace that from this hour we may live in such a way that Thou mayest be able to bless this land that we love so much. Consider in Thy loving kindness Thy servant, the President of the United States, and those who with him share the high responsibilities of leadership. Open their minds and hearts that they may be receptive to Thy guidance. Make them willing to follow Thy plan, and by Thy grace endow them with strength and courage to do Thy will, that it may once again be true of this Nation that "In God we trust."

In this place of great decisions may Thy spirit move. May Thy voice be heard in the whispering galleries of the human heart, and Thy presence be known, unseen but voting. So may these chosen leaders, at the head of affairs in our Nation in these dangerous days, be guided, inspired, encouraged, and used of Thee to lead us on through the darkness into the light ahead.

We ask these things humbly, conscious of our own unworthiness, in the strong name of Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. McKELLAR, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Wednesday, May 27, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its

clerks, announced that the House had passed the bill (S. 2508) to amend section 32 of the Emergency Farm Mortgage Act of 1933, as amended, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 2305) to relieve disbursing and certifying officers of the United States of responsibility for overpayments made on transportation accounts under certain circumstances, and it was signed by the President pro tempore.

CALL OF THE ROLL

Mr. McKELLAR. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gillette	O'Daniel
Andrews	Glass	O'Mahoney
Austin	Green	Pepper
Bailey	Gurney	Radcliffe
Ball	Hatch	Reynolds
Bankhead	Hayden	Rosier
Barbour	Herring	Schwartz
Barkley	H	Shipstead
Bilbo	Hoaman	Smathers
Bone	Hughes	Smith
Brown	Johnson, Calif.	Spencer
Bulow	Johnson, Colo.	Taft
Burton	Kilgore	Thomas, Idaho
Byrd	La Follette	Thomas, Okla.
Capper	Langer	Truman
Caraway	Lucas	Tunnell
Chavez	McCarran	Tydings
Clark, Idaho	McFarland	Vandenberg
Clark, Mo.	McKellar	Van Nuys
Connally	McNary	Wagner
Danaher	Maybank	Walsh
Davis	Mead	Wheeler
Doxey	Millikin	White
Ellender	Murdock	Wiley
George	Norris	Willis
Gerry	Nye	

Mr. HILL. I announce that the Senator from Louisiana [Mr. OVERTON] and the Senator from Connecticut [Mr. MALONEY] are absent from the Senate because of illness.

The Senator from California [Mr. DOWNEY] is detained in his State on official business.

The Senator from Nevada [Mr. BUNKER], the Senator from Kentucky [Mr. CHANDLER], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Oklahoma [Mr. LEE], the Senator from Montana [Mr. MURRAY], the Senator from Georgia [Mr. RUSSELL], the Senator from Tennessee [Mr. STEWART], the Senator from Utah [Mr. THOMAS], and the Senator from Washington [Mr. WALLGREN] are necessarily absent.

Mr. AUSTIN. The Senator from New Hampshire [Mr. BRIDGES] is absent as a result of an injury and illness.

The Senator from Illinois [Mr. BROOKS] is unavoidably absent.

The Senator from Maine [Mr. BREWSTER], the Senator from Nebraska [Mr. BUTLER], the Senator from Massachusetts [Mr. LODGE], and the Senator from Kansas [Mr. REED] are necessarily absent.

The VICE PRESIDENT. Seventy-seven Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the PRESIDENT pro tempore:

A petition of sundry citizens of Granville and vicinity, New York, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. CAPPER:

A resolution adopted by the Osage City (Kans.) National Farm Loan Association, favoring the enactment of legislation to continue the 3½-percent-interest rate on land-bank and Land Bank Commissioner loans for a period of 2 years from July 1, 1942; to the Committee on Banking and Currency.

Petitions, numerous, signed, of sundry citizens of Allen, Americus, Climax, and Emporia, all in the State of Kansas, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

PROHIBITION OF LIQUOR SALES AND SUPPRESSION OF VICE AROUND MILITARY CAMPS—PETITIONS

Mr. BURTON. Mr. President, I ask unanimous consent to present a group of 33 petitions containing the signatures of approximately 1,622 citizens in about 32 communities and 20 counties, all in the State of Ohio, recommending the enactment of Senate bill 860.

The PRESIDENT pro tempore. Without objection, the petitions presented by the Senator from Ohio will be received and lie on the table.

Mr. BONE. Mr. President, I ask consent to present for appropriate reference a petition signed by a large number of citizens of Spokane, Wash., petitioning the Congress to pass Senate bill 860, relating to the sale of alcoholic liquors to members of our land and naval forces and to provide for the suppression of vice.

The PRESIDENT pro tempore. Without objection, the petition presented by the Senator from Washington will be received and lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMITH, from the Committee on Agriculture and Forestry:

H. R. 5204. A bill authorizing the charging of fees for brand inspection under the Packers and Stockyards Act, 1921, as amended; without amendment (Rept. No. 1425); and

H. J. Res. 315. Joint resolution to authorize the Secretary of Agriculture to provide Federal meat inspection during the present war emergency in respect of meat-packing establishments engaged in intrastate commerce only, in order to facilitate the purchase of meat and meat food products by Federal agencies, and for other purposes; without amendment (Rept. No. 1423).

By Mr. BANKHEAD, from the Committee on Agriculture and Forestry:

H. R. 6502. A bill to change the name of the Black Warrior National Forest to the William B. Bankhead National Forest; without amendment (Rept. No. 1424).

By Mr. CLARK of Missouri, from the Committee on Finance:

H. R. 4845. A bill to increase the rate of pension to World War veterans from \$30 to \$40 per month, to grant such rate at age 65, and for other purposes; with amendments (Rept. No. 1426); and

H. R. 6646. A bill to provide that the unexplained absence of any individual for 7 years shall be deemed sufficient evidence of death for the purpose of laws administered by the Veterans' Administration; without amendment (Rept. No. 1427).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

S. 2556. A bill authorizing and directing the Secretary of War to convey to the port of Cascade Locks, Oreg., certain lands for municipal purposes; to the Committee on Military Affairs.

By Mr. HATCH:

S. 2557. A bill for the relief of Bradbury & Marchant; to the Committee on Claims.

By Mr. REYNOLDS:

S. 2558. A bill to further expedite the prosecution of the war by authorizing the

control of the exportation of certain commodities; to the Committee on Military Affairs.

INSPECTION OF NAVY YARDS, NAVAL AIR STATIONS, AND OTHER ACTIVITIES BY COMMITTEE ON NAVAL AFFAIRS

Mr. WALSH submitted the following resolution (S. Res. 259), which was referred to the Committee on Naval Affairs:

Resolved, That the Committee on Naval Affairs, or any subcommittee thereof duly appointed by the chairman of the committee, hereby is authorized to visit, for the purposes of inspection, United States navy yards, air stations, and other naval activities, between July 1 and December 31, 1942, the expenses incurred in pursuance thereof, not to exceed \$3,000, to be paid from the contingent fund of the Senate.

MABEL L. BUDLONG

Mr. McKELLAR submitted the following resolution (S. Res. 260), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Mabel L. Budlong, widow of Percy E. Budlong, late an Official Reporter of debates of the Senate, a sum equal to 1 year's compensation at the base rate he was receiving at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

CELEBRATION OF NATIONAL FOREIGN TRADE WEEK—STATEMENT BY THE SECRETARY OF STATE

[Mr. BROWN asked and obtained leave to have printed in the RECORD a statement by the Secretary of State, Hon. Cordell Hull, in connection with the celebration of National Foreign Trade Week, May 17 to 23, 1942, which appears in the Appendix.]

WAKE UP! WASHINGTON, YES; IT IS LATE—MESSAGE FROM COESSE, IND.

[Mr. WILLIS asked and obtained leave to have printed in the RECORD a newspaper advertisement prepared by certain citizens of Coesse, Ind., addressed to the Congress, entitled "Wake Up! Washington, Yes; It Is Late," which appears in the Appendix.]

APPROPRIATIONS FOR WAR HOUSING AND PUBLIC WORKS IN AND NEAR THE DISTRICT—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report regarding war housing in the District of Columbia, and ask for its immediate consideration.

The PRESIDENT pro tempore. The conference report will be read.

The conference report was read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 308) making appropriations to provide war housing and war public works in and near the District of Columbia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, and 5; and agree to the same.

The committee of conference report in disagreement amendment numbered 1.

KENNETH McKELLAR,
CARTER GLASS,
CARL HAYDEN,
RICHARD B. RUSSELL,
RUFUS C. HOLMAN,

Managers on the part of the Senate.

CLARENCE CANNON,
C. A. WOODRUM,
LOUIS LUDLOW,
EMMETT O'NEAL,
GEO. W. JOHNSON,
JOHN TABER,
R. B. WIGGLESWORTH,

Managers on the part of the House.

Mr. McKELLAR. Mr. President, the House agreed to all the amendments of the Senate which were in dispute except one, and that related to the amount of housing to be provided in the District of Columbia, the appropriation for which was raised by the Senate from \$12,000,000 to \$25,500,000. The House conferees did not agree to that amendment. Under those circumstances, I ask for the adoption of the report as presented, and move that the Senate ask for a further conference on the amendment still in disagreement.

Mr. McNARY. I have no objection to that, but when the report was presented I rather assumed it was a complete report.

Mr. McKELLAR. No; there is a difference as to the amount of money to be used in the District of Columbia.

Mr. McNARY. I thought, and rather hoped, that the Senate conferees would yield to the attitude of the House.

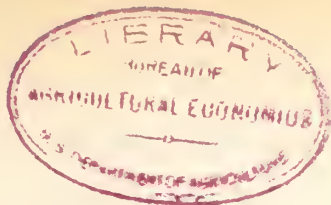
Mr. McKELLAR. We could not do that, for the reason that the Housing Administration found themselves in this situation: The House appropriated only for houses of one unit, that is to say, consisting of one bedroom, a kitchenette, a small dining room, and a very small bathroom, a house to accommodate only one person, or certainly not more than two.

The Housing Administration asked for appropriations for a certain number of two-room and three-room units. They wanted even more than the Senate allowed. We did not allow all they asked, but we increased the appropriation \$13,500,000 for the larger units. That was done because it was shown that there were at times four or five girls living together in the same room. The committee thought that presented a situation which should not be permitted to continue. We have invited people to come to Washington and work for the Government, and it seemed to the committee that we should provide some of these larger units. That is why I am asking that we have a further conference as to this one amendment.

Mr. McNARY. Mr. President, it may not be inappropriate for me to state at this time that, in my opinion, we have asked too many to come to Washington—more than we need and more than are being employed on full time. An effort was made some time ago, at least a suggestion was made, it was not really an effort, to decentralize some governmental

77TH CONGRESS
2D SESSION

S. 2558



IN THE SENATE OF THE UNITED STATES

MAY 28 (legislative day, MAY 26), 1942

MR. REYNOLDS introduced the following bill; which was read twice and referred to the Committee on Military Affairs

A BILL

To further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 6 of the Act of July 2, 1940 (54 Stat. 714) is
4 hereby amended to read as follows:

5 "SEC. 6. (a) The President is hereby authorized to
6 prohibit or curtail the exportation of any articles, technical
7 data, materials, or supplies, except under such rules and
8 regulations as he shall prescribe.

9 "(b) Unless the President shall otherwise direct, the
10 functions and duties of the President under this section shall

1 be performed by the Board of Economic Warfare, in con-
2 formity with the President's Executive order of September
3 15, 1941 (Numbered 8900, 6 F. R. 4795-6), as amended
4 by Executive order of December 17, 1941 (Numbered 8982,
5 6 F. R. 6530).

6 “(c) In case of the violation of any provision of any
7 proclamation, rule, or regulation issued hereunder, such vio-
8 lator or violators, upon conviction, shall be punished by a fine
9 of not more than \$10,000, or by imprisonment for not more
10 than two years, or by both such fine and imprisonment.

11 “(d) The authority granted in this section shall termi-
12 nate upon the date of a proclamation by the President, de-
13 claring that the continuance of the authority granted here-
14 under is not necessary in the interest of the national defense
15 and security; except that as to offenses committed, or rights
16 or liabilities incurred prior to such date, the provisions of this
17 section and such rules, regulations, and proclamations shall
18 be treated as remaining in effect for the purpose of sustaining
19 any suit, action, or prosecution with respect to such right,
20 liability, or offense.”

77TH CONGRESS
2^D Session

S. 2558

A BILL

To further expedite the prosecution of the war
by authorizing the control of the exportation
of certain commodities.

By Mr. REYNOLDS

MAY 28 (legislative day, MAY 26), 1942

Read twice and referred to the Committee on Military
Affairs

7
7715
EXPORT CONTROL

HEARING

BEFORE THE

COMMITTEE ON MILITARY AFFAIRS

UNITED STATES SENATE

SEVENTY-SEVENTH CONGRESS

SECOND SESSION

ON

S. 2558

A BILL TO FURTHER EXPEDITE THE PROSECUTION
OF THE WAR BY AUTHORIZING THE CON-
TROL OF THE EXPORTATION OF
CERTAIN COMMODITIES

JUNE 5, 1942

Printed for the use of the Committee on Military Affairs



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1942

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EXPORT CONTROL

FRIDAY, JUNE 5, 1942

UNITED STATES SENATE,
MILITARY AFFAIRS COMMITTEE,
Washington, D. C.

The committee met, pursuant to call, at 10 a. m., in the committee room, United States Capitol Building, Senator Albert D. Thomas (Utah), (acting chairman), presiding.

Present: Senator Thomas (of Utah), Senator Austin, Senator Thomas (Idaho), Senator Schwartz, Senator Johnson, Senator Gurney, Senator Holman, and Senator Kilgore.

Also present: Philip W. Anram, Counsel for Office of Exports; Col. Arthur N. Ziegler, Office of the Judge Advocate General, Assistant Counsel for Office of Exports; Col. Francis R. Kerr, Infantry, Chief Export Control Branch..

Senator THOMAS of Utah. The committee will be in order.

We are here to consider S. 2558, a bill to expedite the prosecution of the war by authorizing control of the exportation of certain commodities. The reporter will insert the bill at this point.

(S. 2558 is as follows:)

[S. 2558, 77th Cong., 2d sess.]

A BILL To further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Act of July 2, 1940 (51 Stat. 714) is hereby amended to read as follows:

"Sec. 6. (a) The President is hereby authorized to prohibit or curtail the exportation of any articles, technical data, materials, or supplies, except under such rules and regulations as he shall prescribe.

"(b) Unless the President shall otherwise direct, the functions and duties of the President under this section shall be performed by the Board of Economic Warfare, in conformity with the President's Executive order of September 15, 1941 (Numbered 8930, 6 F. R. 4795-6), as amended by Executive order of December 17, 1941 (Numbered 8982, 6 F. R. 6530).

"(c) In case of the violation of any provision of any proclamation, rule, or regulation issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than two years, or by both such fine and imprisonment.

"(d) The authority granted in this section shall terminate upon the date of a proclamation by the President, declaring that the continuance of the authority granted hereunder is not necessary in the interest of the national defense and security; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense."

Senator THOMAS of Utah. The reporter will record section 6 with the explanation of section 6 of the original bill now Public, 703, Seventy-sixth Congress.

(Section 6 is as follows:)

Section 6 of the bill authorizes the President by proclamation, whenever he determines that it is necessary in the interest of national defense, to prohibit or curtail the exportation of any military equipment or munitions, or their component parts, or machinery, tools, or material necessary for the manufacture or servicing thereof. The President is also authorized to make such exceptions to any such prohibition or curtailment as he shall prescribe by rules and regulations. Such proclamations shall describe the articles or materials to which the prohibition or curtailment relates. Violation of any such proclamation or of any such rule or regulation is punishable by a fine of not more than \$10,000, or imprisonment for not more than 2 years, or both. The authority granted in this section shall terminate on June 30, 1942, unless the Congress shall otherwise provide.

AMENDMENT ON CONTROL OF EXPORTS OF MUNITIONS

The purpose of this amendment is to give the President power to control until June 30, 1942, unless otherwise directed in the meantime by the Congress, the export of military equipment and munitions, or the tools, machinery, or materials necessary for the manufacture or maintenance thereof. To accomplish this object, he is authorized to promulgate such regulations as may be necessary and announce in proclamations the articles to be subject to control. Presumably some form of licensing will have to be employed as the means for control.

By the use of this power, the President can prevent or curtail the outflow of essential materials, machinery, and munitions vitally needed for the national defense program. This has not heretofore been possible in time of peace. In the last year, there has been in operation a moral embargo on the export of tin, rubber, and other strategic materials. This embargo has not been legally enforceable and has depended for its success entirely on the cooperation of the exporters. Such success as has been achieved has been entirely due to a feeling on the part of the exporters that the wishes of the Government should be respected but it is foreseen that the time may come when more power to enforce will be needed in the national interest.

The machine tool industry at the present time is more than 60 percent occupied with foreign orders. There is a grave danger that it may become impossible for domestic manufacturers employed on orders for the national defense to secure the necessary machine tools and factory equipment. This legislation will allow the President to prevent the export of machine tools when it is found essential to retain them in this country for our own needs. It is believed that the measure will certainly make it possible during this present emergency for domestic manufacturers, and incidentally our own Government plants, to secure the things necessary for munitions production.

Under existing legislation it is impossible to refuse the issue of a license to export if the manufacturer has otherwise complied with the law. There are, however, a large number of items essential to munitions production which do not require licenses. Among these might be named toluol, nitric acid, copper, and basic materials

of all kinds. By the proposed amendment it will be possible to bring items of this kind, not now subject to real munitions control, into a system of regulation whereby the needs of the United States will be effectively safeguarded.

As an example of official helplessness in preventing the export of essential materials might be mentioned a situation which occurred a short time ago involving toluol, an important basic material for the manufacture of TNT. A large shipment of toluol had to be allowed to be shipped abroad, although needed in this country by domestic manufacturers, because there was no legal way of preventing this shipment from being cleared. The supply of this material is not adequate in this country at the present time as it is not normally used in large quantities in time of peace but is required in very large quantities in time of war. It can be foreseen clearly that our difficulties in safeguarding our own national resources will be multiplied unless this Government adopts effective measures without delay to control exports for the things essential to national defense.

This amendment would appear to be an integral part of the defense program now under consideration by the Congress. I know of no objection on the part of any department of the Government.

The question of the possible retardation or impairment of this program by the export of supplies essential to it is one of primary interest.

I understand that almost all other governments today now possess powers similar to that contained in the amendment.

Senator THOMAS (Utah): Then in connection with this bill we have a communication from Milo Perkins, Executive Director of the Board of Economic Warfare, on the bill which he submits. We will make that part of the record.

(The letter from Mr. Milo Perkins, above referred to is as follows:)

BOARD OF ECONOMIC WARFARE,
Washington, D. C., May 28, 1942.

Hon. ROBERT R. REYNOLDS,

Chairman, Military Affairs Committee, United States Senate,

Washington, D. C.

DEAR MR. REYNOLDS: As you know, the President has delegated to this Board, by Executive Order No. 8300, dated September 15, 1941 (6 F. R. 4795), the responsibility for administering his powers and functions under section 6 of the act of July 2, 1940 (54 Stat. 714), authorizing the control of the exportation of certain commodities.

Said section will expire on June 30, 1942, and, accordingly, we have prepared a draft bill, in the form of an amendment, to replace it, three copies of which are enclosed for consideration by your committee. By this proposed bill, you will note, it is proposed (1) to extend the operation of export control until termination by Presidential proclamation; (2) to broaden the scope of control; and (3) to delegate the President's authority over export control to this Board, unless otherwise directed by the President. The penal provisions of the present law are not changed.

As indicated in a letter dated May 26, 1942, from the Bureau of the Budget, a copy of which is also enclosed, I am authorized to advise you that this proposed bill is in accordance with the President's program for the prosecution of the war. We shall be glad to furnish any additional information which you or your committee may require. In view of the need for prompt action by the Congress, a similar letter (with enclosures) is being sent today to the House Committee on Military Affairs.

Sincerely yours,

MILO PERKINS,
Executive Director.

Senator THOMAS of Utah. Will you state your name for the record, please?

STATEMENT OF COL. FRANCIS R. KERR, INFANTRY, CHIEF EXPORT BRANCH, CONTROL BRANCH, BOARD OF ECONOMIC WARFARE

Colonel KERR. Francis R. Kerr, colonel, infantry, Chief Export Branch, Office of Exports, Board of Economic Warfare.

I have a very brief statement which I should like to read.

Senator THOMAS of Utah. We will be glad to hear you, Colonel.

Colonel KERR. On July 2, 1940, the President signed an act to expediate the strengthening of the national defense which included, as section 6, a provision authorizing the President to prohibit or curtail exports from the United States.

Subsequently, by joint resolution of May 28, 1941, this section was specifically made applicable to all Territories, dependencies, and possessions of the United States, including the Philippine Islands, the Canal Zone, and the District of Columbia. The administration of these controls was originally placed in an Administrator of Export Control, but, by Executive order, has been vested in the Board of Economic Warfare since September 15, 1941.

By its terms section 6 expires on June 30, 1942. The effect of Senate bill No. 2558, now under consideration, is to extend the authority for export control beyond that date. The absolute necessity for control of exports during time of war requires no demonstration. It is essential to provide the goods abroad needed to carry on the military effort.

Senator AUSTIN. Just a moment. Have you used July 9 as your date? Twice I thought I heard you——

Colonel KERR. July 2, 1940.

Senator AUSTIN. Thank you very much.

Colonel KERR. It is essential to provide the goods abroad needed to carry on the military effort, to conserve critical materials within this country, to prevent any goods from reaching unfriendly destinations or persons.

It is also essential to permit exports to friendly hands, and to implement and carry out the foreign policy of the United States as formulated by the State Department, and I might cite there the commitments of the United States Government at the Rio Conference in which certain vital supplies were guaranteed the South American Republics. That is handled through our licensing operation.

We also are able to send down certain vital mining machinery to those mines which were engaged in producing critical raw materials for us—copper, tungsten, mercury.

The proposed bill differs from the original enactment in only a few respects. First and foremost, it extends the duration of export control until such time as the President may proclaim that the continuance of the authority is not necessary in the interest of national defense and security.

This provision insures the continuance of export control so long as the national interest requires.

Secondly, the bill is applicable to exportation of "any articles, technical data, materials, or supplies."

The language employed differs from that contained in the present section 6 which covers—

any military equipment or munitions, or component parts thereof, or machinery, tools, or material, or supplies necessary for the manufacture, servicing, or operation thereof.

The words used in the present statute are sufficiently comprehensive to permit control of all articles and materials, including technical data, and by virtue of the proclamations of the President issued pursuant to the existing legislation, exportation of all goods is now prohibited except under license.

However, in a criminal prosecution under the act, the courts may construe the authority granted strictly in accordance with well-established legal principles. For this reason, it is desirable to remove all doubt concerning the scope of the statute particularly with reference to technical data by changing the language as indicated.

Senator THOMAS of Utah. May I ask, Colonel, have you had an actual case which is the stimulus for this change?

Colonel KERR. We have had cases which we have worried about, but we, to my knowledge, have not had any specific cases.

Mr. AMRAM. For your information, Senator, we have sent certain cases of alleged violations—I am Mr. Amram, Counsel for the Office of Exports—we have had certain cases which have been forwarded to the Attorney General, and the Attorney General's office has indicated that it might be unwise to have criminal prosecution in those cases by reason of the fact that the language in the prior act—that is, the existing act of 1940—might be rigidly construed by the Courts under the general rule that criminal statutes will be very strictly construed, and the Attorney General has in one or more instances suggested that it would be unwise for them to issue indictments and proceed with the prosecution, and, in view of the fact, as Colonel Kerr has illustrated, that there are numerous cases where violations have occurred, it occurs to us it would be wise for us to strengthen the act by inclusion of technical data.

As he has explained, blueprints and explanation of technical processes must not be permitted to be exported out of the country where they would be of tremendous value to the enemy.

Senator THOMAS of Utah. In other words, we can say, if we were asked, that the reason for the change is a reason that has grown out of actual experience?

Mr. AMRAM. Yes, sir.

Senator THOMAS of Utah. That there is a necessity for the prolongation of the act itself?

Mr. AMRAM. May I say, Senator, that so far as the civil administration is concerned, we are all satisfied that the language of the act of 1940 is adequate to permit the licensing and to prohibit exportation without a license of all these commodities.

What we are concerned about is the possible limitation on the criminal section of the statute insofar as strict construction of the criminal section is concerned, and it is the criminal phase of it which has warranted us in asking that the language be made more specific.

Senator THOMAS of Utah. May I ask one more question in that connection: In the changing of the language you have definitely

strengthened the act and not in any way weakened it by too many words?

Mr. AMRAM. Yes, sir.

Senator THOMAS of Utah. You feel sure that the act will be stronger in every particular, both from the standpoint of prosecution and from the standpoint of prosecution of the war?

Mr. AMRAM. Yes, sir. In fact, there are less words in the act now than there were before.

Colonel KERR. The bill further contains a subsection which provides for the continuation of the present administration of export control by the Board of Economic Warfare, subject to contrary direction by the President. Its inclusion merely continues the existing practice under which the actual work of administering export control as an operating function is being performed by the Board of Economic Warfare.

Senator THOMAS of Utah. Are there any questions that any members of the committee wish to ask Colonel Kerr?

Senator AUSTIN. Yes, sir. Why make this provision of termination dependent on a proclamation by the President?

Colonel KERR. My understanding of that is: It is more desirable, sir, to have the matter decided at once rather than to again face the necessity of getting an extension due to a specific limitation of time.

Senator AUSTIN. Well, if you had all the time there is in the duration of the war and 6 months thereafter, you would have enough, wouldn't you?

Colonel KERR. I believe we would, but I would like to ask counsel if that is equivalent?

Mr. AMRAM. Senator, this problem has occurred to us: I think I prefer to have this off the record.

(Discussion had off the record.)

Senator AUSTIN. Colonel, will you state that on the record?

Colonel KERR. There is no objection to the suggested amendment which would fix the terminal date by the Congress. Does that cover it?

Senator AUSTIN. This is the idea: I ask you now if you have any objection, any of you, to this law containing in itself its terminal occasion or date; namely, that this act shall not have validity after the expiration of 6 months following the termination of the war.

Colonel KERR. There is no objection from our office on that part, sir.

Senator THOMAS of Utah. May I just cite a case, not in objection to the suggested amendment, but to give an illustration to all of the need for this kind of act even in peacetimes. We had the most striking illustration of it occur on the day that Germany moved into Poland. The Russian agents in the United States started buying all our rubber and we were put to it very, very hard, and due, of course, to the splendid way in which Congress was acting, the President did stop those purchases by a mere threat of embargo legislation, and that act, in and of itself, saved the American people thousands and thousands of dollars in the price of rubber, because the rubber prices would have skyrocketed right there and then, and the ability to act quickly when the world is anything but stable is always to the advantage of the American Government.

I see no reason, though, for not letting this act terminate 6 months after the termination of the war, as has been suggested, and make it

consistent with many of the other acts, because Congress will be here and will be given notice of it, and it makes it consistent with what we have done.

Any questions, Senator Schwartz or Senator Thomas?

Senator SCHWARTZ. No; I think that is all I have.

Senator THOMAS of Idaho. That is all.

Senator THOMAS of Utah. Senator Austin?

Senator AUSTIN. Nothing further.

Senator THOMAS of Utah. Is there anything more that the gentlemen wish to say?

Senator SCHWARTZ. Have we in any of these acts specifically named one of these Boards that is not a Board originated by Congress? That is, "it ceases to be performed by the Board of Economic Warfare"?

Senator AUSTIN. I can't answer that question.

Can you?

Senator SCHWARTZ (reading):

Unless the President shall otherwise direct they should be performed by the Board of Economic Warfare.

Well, the President can direct it to go anywhere.

Senator AUSTIN. We have already given him the power to consolidate, remove and even abolish functions and offices.

Senator SCHWARTZ. I mean what is the reason, outside of possibly saying that they are doing a good job for specifying them in here?

Senator AUSTIN. I don't know, excepting that it shows the policy of Congress.

Senator SCHWARTZ. That is all right. I have no objection to them doing it.

Senator AUSTIN. I am inclined to favor having it in there because of that. I would like to have a public policy like this determined by Congress rather than delegated.

Senator THOMAS of Utah. This work has been done by the Munitions Control Board?

Colonel KERR. No, sir; it has always been done by the office of Export Control.

Senator THOMAS of Utah. Before that?

Colonel KERR. There was no control of commodities. There was a control of certain arms, and ammunition, and munitions of war exercised by the State Department.

Senator THOMAS of Utah. By the Munitions Control Board, which, of course, is the Board acting under the provisions of the Neutrality Act and the Control of Exportation of Munitions now. Has that Board been taken over?

Colonel KERR. No.

Senator THOMAS of Utah. It still functions in the State Department?

Colonel KERR. Yes, sir.

Senator THOMAS of Utah. It has several duties in addition to those imposed upon it by the Neutrality Act. It has a duty in connection with strategic terms.

It has a lot of licensing work and it has to report, and things of that kind, so that it is a going establishment, and this new Board works independently of it.

Colonel KERR. We control commodities. We have specific exemptions of arms, ammunition, and materials of war, munitions of war.

Senator THOMAS of Utah. That is still under their control then. Colonel KERR. There is one other commodity.

Mr. AMRAM. Helium and tinplate scrap.

Senator THOMAS of Utah. Yes. And also, I think, if you go back—an embargo put upon brass. We switched over into the control. That is the first one of the little embargoes that we started.

Colonel KERR. Of course, that control is subject to veto on the part of the Board of Economic Warfare.

Senator THOMAS of Utah. And lend-lease, I suppose, and all the rest of it, isn't it?

Colonel KERR. No, sir; just by the Board of Economic Warfare on the authority which it has over commodities for export.

Senator THOMAS of Utah. In other words, if the State Department says a ship load of munitions couldn't go?

Colonel KERR. If the Board of Economic Warfare vetoed that, it could not go.

Senator THOMAS of Utah. Well, put it the other way: If the State Department said a ship load of munitions could not go, could you veto it and send them?

Colonel KERR. No, sir. We couldn't overrule the State Department.

Colonel ZIEGLER. We couldn't say yes, but we can always say no.

Senator THOMAS of Utah. In other words, to a certain extent you are still advisory?

Colonel ZIEGLER. The State Department grants the licenses which, for purposes of clarification, we will call the white license forms.

Now, if a particular exploration is deemed contrary to the interests of national defense, the Board of Economic Warfare may deny that particular application.

Senator THOMAS of Idaho. Who says whether we can export, for instance, rubber to England or sugar to Russia?

Colonel KERR. The Board of Economic Warfare determines that, sir, after consultation with all other interested agencies in the Government.

Senator THOMAS of Utah. I was just wondering about the procedure for doing that. We are running ourselves short of rubber and we are exporting rubber. We are always counting our lumps of sugar, yet we are sending sugar to Russia.

Colonel KERR. We very definitely consult on every application through a formalized process or through informal process with the State Department, the War Production Board for the matter of supply, and any other agency which may have an interest. For instance, the Department of Agriculture might have a very definite interest and we consult with them on our policy so that eventually the judgment which goes forth from our office is the judgment of the Government and not the judgment of one interested agency.

Senator THOMAS of Idaho. I think that explains my point.

Senator SCHWARTZ. Do you have that like authority in shipments of rubber, we will say, to Russia under the lend-lease arrangement?

Colonel KERR. We don't have authority under lend-lease. The lend-lease clearance can be had without passing through our control.

Senator AUSTIN. Senator Schwartz, are you going to stay here or are you going downstairs?

Senator SCHWARTZ. Yes; I am going to stay here. Are you going to try to act on this this morning?

Senator AUSTIN. We haven't a quorum here.

Senator THOMAS of Utah. We can get the record and we can ask Colonel Kerr to submit us a revised bill with the amendments that have been suggested here, and then we can place that before the committee when we can get a quorum. We will do that as soon as we can.

Senator AUSTIN. I want to ask a question: We passed an act on October 10, 1940, enabling the President to requisition military and naval equipment, and so forth, exportation, of which had been denied in accordance with this section 6 that you are now seeking to extend and modify. Will it be your purpose to have the President given the power that was given by that act of October 10, 1940?

Colonel KERR. I would like Mr. Amram to answer that particular point, if I might, sir.

Senator AUSTIN. If that is true, there will have to be an amendment of the act of October 10, 1940, as well, for this reason: The act of October 10, 1940, expressly refers to the act that we are amending in this manner:

The exportation of which has been denied in accordance with the provisions of section 6 of the Act approved July 2, 1940, Public, No. 703, Seventy-sixth Congress.

This is a very busy committee and time is of the essence with all of us, and I suggest that if you intend to have the power vested in the President to use exportable articles that are prevented exportation, if you intend to have that power extended, you should do it in this act, S. 2558.

Mr. AMRAM. Senator, may I answer that in this way: The act to which you have just referred is one which gives a very narrow and limited right of requisition only to those articles which have been denied export. On October 16, 1941, Public, No. 274, of the Seventy-seventh Congress—

Senator AUSTIN. Just a moment.

Mr. AMRAM. Yes.

Senator AUSTIN. Seventy-four.

Mr. AMRAM. Two hundred and seventy-four of the Seventy-seventh Congress—

Senator AUSTIN. What date was that approved?

Mr. AMRAM. October 16, 1941.

Senator AUSTIN. Yes.

Mr. AMRAM. There was another act passed giving a very broad and comprehensive requisitioning power, very much greater than the power given in the act of 1940. For that reason it is not our purpose to ask for any extension of the narrow act of 1940, because the broad act of 1941 is now in effect and does not expire by its terms until June 30, 1943.

Senator AUSTIN. Well, that answers my question completely. That is satisfactory to me.

Senator SCHWARTZ. Would you proceed?

Colonel KERR. I have nothing further to offer, sir.

Senator SCHWARTZ. Is there anything further from these other witnesses that we want?

Senator AUSTIN. I don't know of anything.

Senator SCHWARTZ. I wasn't in here when we began. What about the amendments? Who is going to offer some amendments, if anybody?

Senator AUSTIN. I think we could fix this right now. Suppose that we strike out lines 11 to 20 on page 2 of this bill and substitute for them the following language:

The authority granted by this section shall terminate upon the expiration of 6 months following the termination of the war or upon any prior date which the Congress, by concurrent resolution, or the President, may designate.

Senator HOLMAN. May I interrupt with a thought? You wouldn't want to put "the President with the consent of the Congress!"

Senator AUSTIN. We have not done that.

Senator SCHWARTZ. Would you want to put "by proclamation"?

Senator AUSTIN. It is not in the War Powers Act. It just says "or the President may designate." I would like to keep these things, if possible, just alike and then we won't have to have a half dozen different interpretations of the policy of Congress.

Now, is that satisfactory to you gentlemen?

Mr. AMRAM. That would be, Senator, provided you leave in the last five lines, beginning after the semicolon in line 5 which is the exception clause, retaining the right of prosecution for prior violations.

Senator AUSTIN. That is quite all right. Put a semicolon then on the end of what I suggested and take in on the end of what I suggested the following:

except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense.

Is that all right?

Mr. AMRAM. That is entirely satisfactory.

Senator AUSTIN. I am willing to move that, Mr. Chairman, as an amendment.

Senator SCHWARTZ. Those in favor of accepting that amendment say "Aye."

(Chorus of "Ayes.")

Senator AUSTIN. Opposed?

(No response.)

Senator SCHWARTZ. Unanimous.

I am going to move that the committee report the bill favorably.

Senator HOLMAN. I second the motion.

Senator THOMAS of Utah. Are you ready for the question?

All those in favor say "Aye."

(Chorus of "Ayes".)

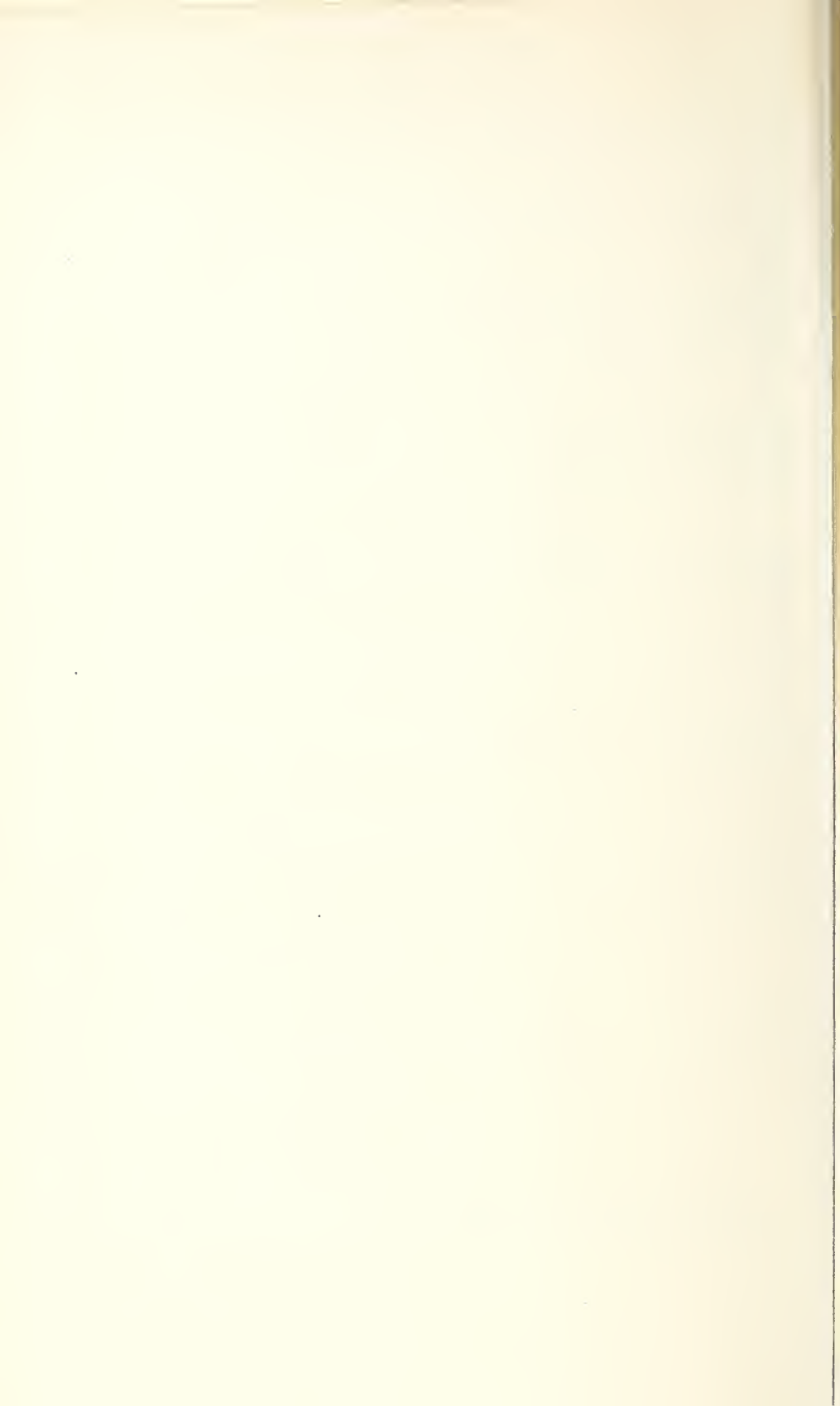
Senator THOMAS of Utah. Opposed?

(No response.)

Senator THOMAS of Utah. Unanimous.

We will get the concurrence of some of the other members.

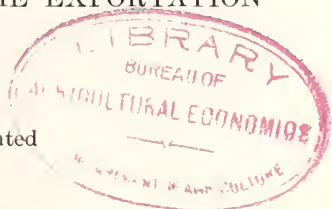
(Whereupon, at the hour of 11 a. m., the committee adjourned.)





FURTHER EXPEDITE THE PROSECUTION OF THE WAR BY
AUTHORIZING THE CONTROL OF THE EXPORTATION
OF CERTAIN COMMODITIES

JUNE 8, 1942.—Ordered to be printed



Mr. THOMAS of Utah, from the Committee on Military Affairs, submitted the following

REPORT

[To accompany S. 2558]

The Committee on Military Affairs, to whom was referred the bill (S. 2558) to further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities, having considered the same, report favorably thereon with one amendment and recommend that the bill, as amended, do pass.

The committee proposes the following amendment:

Page 2, starting with line 11, strike out lines 11 to 20, and substitute for them the following language:

The authority granted by this section shall terminate upon the expiration of six months following the termination of the war or upon any prior date which the Congress by concurrent resolution, or the President, may designate; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense.

GENERAL STATEMENT

The general purpose of the bill is to amend section 6 of the act of July 2, 1940 (54 Stat. 712, 714), and thus extend for the duration of the war and 6 months thereafter, unless the Congress by concurrent resolution or the President may otherwise determine, the control of the exportation of articles, technical data, materials, or supplies, except under such rules and regulations as the President shall prescribe.

The language of subsection (a) differs from that of the original section 6, which covers "any military equipment or munitions, or component parts thereof, or machinery, or tools, or materials, or supplies necessary for the manufacture, servicing, or operation thereof."

The words used in the present statute are sufficiently comprehensive to permit control of all articles or materials, including technical data, and by virtue of the proclamations of the President issued pursuant to existing legislation, subsequent to December 7, 1941, exportation of all goods has been prohibited, except under license. The necessity for such control requires no demonstration. However, in criminal prosecution under the act, the language thereof might be rigidly construed by the courts under the general rule of strict construction as to criminal statutes. For this reason, it is desired to clarify the scope of the statute, particularly with reference to technical data, by changing the language as indicated. In order, therefore, to clearly state the intention of Congress, the simpler and more specific language of the present bill is employed.

Subsection (b) continues the present administration of export control, unless the President otherwise directs. It is the opinion of this committee that, in the interest of sound public policy, the Board of Economic Warfare is properly charged with this duty.

Subsection (c) provides the same penal provisions as the original act.

Subsection (d), as amended, provides that the authority conferred by this act, as amended, shall expire 6 months following the termination of the war, or upon any prior date which the Congress, by concurrent resolution, or the President, may designate. This amendment follows sound legislative precedent so that the policy of the Congress will not be susceptible to varying and different interpretations. This subsection further provides that, as to offenses committed, or rights or liabilities incurred, prior to the expiration of the authority of this act, the provisions of this section and of the rules, regulations, and proclamations shall be treated as remaining in effect for the purposes of sustaining any suit, action, or prosecution with respect to such right, liability, or offense.

It should be noted that this amendment to section 6 of the act of July 2, 1940, *supra*, does not affect the applicability of the act as provided in the joint resolution of May 28, 1941 (Public, No. 75, 77th Cong., 1st sess.).

Economic warfare is a vital part of the successful prosecution of this war. The control of exports is a major weapon of economic warfare in conserving materials necessary for the production and supply for our own armed forces, in directing the flow of articles and materials abroad to secure strategic and critical materials for our war needs, as well as preventing needed articles and materials reaching our enemies, and it is the opinion of this committee that the enactment of the proposed bill amending section 6 of the act of July 2, 1940, will be a decisive factor in hastening victory.

Letter of Board of Economic Warfare follows:

BOARD OF ECONOMIC WARFARE,
Washington, D. C., May 28, 1942.

HON. ROBERT R. REYNOLDS,
*Chairman, Military Affairs Committee,
United States Senate, Washington, D. C.*

DEAR MR. REYNOLDS: As you know, the President has delegated to this Board, by Executive Order No. 8900, dated September 15, 1941 (6 F. R. 4795), the responsibility for administering his powers and functions under section 6 of the act of July 2, 1940 (54 Stat. 714), authorizing the control of the exportation of certain commodities.

Said section will expire on June 30, 1942, and, accordingly, we have prepared a draft bill (S. 2558) in the form of an amendment, to replace it, three copies of which are enclosed for consideration by your committee. By this proposed bill, you will note, it is proposed (1) to extend the operation of export control until termination by Presidential proclamation; (2) to broaden the scope of control; and (3) to delegate the President's authority over export control to this Board, unless otherwise directed by the President. The penal provisions of the present law are not changed.

As indicated in a letter dated May 26, 1942, from the Bureau of the Budget, a copy of which is also enclosed, I am authorized to advise you that this proposed bill is in accordance with the President's program for the prosecution of the war. We shall be glad to furnish any additional information which you or your committee may require. In view of the need for prompt action by the Congress, a similar letter (with enclosures) is being sent today to the House Committee on Military Affairs.

Sincerely yours,

MILO PERKINS, *Executive Director.*

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., May 26, 1942.

Hon. MILO PERKINS,
Executive Director, Board of Economic Warfare,
Washington, D. C.

MY DEAR MR. PERKINS: The Director of the Bureau of the Budget has requested me to acknowledge the receipt of your letter of April 30, 1942, transmitting a draft of proposed bill to amend section 6 of the act of July 2, 1940 (54 Stat. 714), by (1) broadening its terms; (2) extending its provisions until the President shall declare their continuance is no longer necessary; and (3) preserving liabilities arising thereunder prior to the statute's termination, for the purpose of any suit, action, or prosecution; and to advise you that there would be no objection by this office to the submission of the proposed legislation to the Congress for its consideration.

Very truly yours,

F. J. BAILEY,
Assistant Director, Legislative Reference.

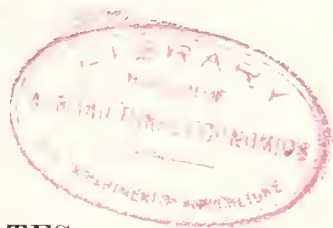
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Calendar No. 1490

77TH CONGRESS
2^D SESSION

S. 2558

[Report No. 1446]



IN THE SENATE OF THE UNITED STATES

MAY 28 (legislative day, MAY 26), 1942

Mr. REYNOLDS introduced the following bill; which was read twice and referred to the Committee on Military Affairs

JUNE 8, 1942

Reported by Mr. THOMAS of Utah, with an amendment

[Omit the part struck through and insert the part printed in italic]

A BILL

To further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That section 6 of the Act of July 2, 1940 (54 Stat. 714) is
4 hereby amended to read as follows:

5 “SEC. 6. (a) The President is hereby authorized to
6 prohibit or curtail the exportation of any articles, technical
7 data, materials, or supplies, except under such rules and
8 regulations as he shall prescribe.

9 “(b) Unless the President shall otherwise direct, the
10 functions and duties of the President under this section shall

1 be performed by the Board of Economic Warfare, in con-
 2 formity with the President's Executive order of September
 3 15, 1941 (Numbered 8900, 6 F. R. 4795-6), as amended
 4 by Executive order of December 17, 1941 (Numbered 8982,
 5 6 F. R. 6530).

6 “(c) In case of the violation of any provision of any
 7 proclamation, rule, or regulation issued hereunder, such vio-
 8 lator or violators, upon conviction, shall be punished by a fine
 9 of not more than \$10,000, or by imprisonment for not more
 10 than two years, or by both such fine and imprisonment.

11 ~~“(d) The authority granted in this section shall termi-~~
 12 ~~nate upon the date of a proclamation by the President, de-~~
 13 ~~claring that the continuance of the authority granted here-~~
 14 ~~under is not necessary in the interest of the national defense~~
 15 ~~and security; except that as to offenses committed, or rights~~
 16 ~~or liabilities incurred prior to such date, the provisions of this~~
 17 ~~section and such rules, regulations, and proclamations shall~~
 18 ~~be treated as remaining in effect for the purpose of sustaining~~
 19 ~~any suit, action, or prosecution with respect to such right,~~
 20 ~~liability, or offense.”~~

21 “(d) *The authority granted by this section shall terminate*
 22 *upon the expiration of six months following the termination of*
 23 *the war or upon any prior date which the Congress by con-*
 24 *current resolution, or the President, may designate; except*
 25 *that as to offenses committed, or rights or liabilities incurred*

1 *prior to such date, the provisions of this section and such rules,*
2 *regulations, and proclamations shall be treated as remaining*
3 *in effect for the purpose of sustaining any suit, action, or*
4 *prosecution with respect to such right, liability, or offense.”*

Calendar No. 1490

77TH CONGRESS
2^D Session

S. 2558

[Report No. 1446]

A BILL

To further expedite the prosecution of the war
by authorizing the control of the exporta-
tion of certain commodities.

By Mr. REXNOLDS

MAY 28 (legislative day, MAY 26), 1942

Read twice and referred to the Committee on Military
Affairs

JUNE 8, 1942

Reported with an amendment

"SEC. 23-702. Commissioners to provide death chamber, appoint executioner and assistants, and fix fees: The Commissioners of the District of Columbia are authorized and required to provide a death chamber and necessary apparatus for inflicting the death penalty by the administration of lethal gas, to designate an executioner and necessary assistants, not exceeding three in number, and to fix the fees thereof for services."

DR. WESLEY K. HARRIS

The bill (H. R. 6297) to provide for the issuance of a license to practice chiropractic in the District of Columbia to Dr. Wesley K. Harris was considered, ordered to a third reading, read the third time, and passed.

ASSIGNMENT OF CERTAIN DISTRICT OF COLUMBIA POLICE OFFICERS TO DETECTIVE DUTY

The bill (H. R. 6782) to authorize the Commissioners of the District of Columbia to assign officers and members of the Metropolitan Police force to duty in the detective bureau of the Metropolitan Police Department, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

REGULATIONS OF AMBULANCES AND FUNERAL CARS IN THE DISTRICT OF COLUMBIA

The bill (H. R. 6804) to amend paragraph 31 of section 7 of the act entitled "An act making appropriations to provide for the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes," approved July 1, 1902, as amended, was considered, ordered to a third reading, read the third time, and passed.

SUSPENSION OF ANITRUST LAWS IN CERTAIN CASES

The bill (S. 2431) to suspend the operation of the antitrust laws and Federal Trade Commission Act in certain instances requisite to the promotion of the war was announced as next in order.

Mr. BARKLEY. Mr. President, the two Houses have agreed on an amendment to the so-called little-business bill which was passed several days ago, substantially in the terms of Senate bill 2431, making it unnecessary to pass that bill. I therefore ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

EMPLOYMENT OF CERTAIN FORMER MEMBERS OF THE MILITARY FORCES BY DEFENSE CONTRACTORS

The bill (H. R. 6634) to facilitate the employment by defense contractors of certain former members of the land and naval forces, including the Coast Guard, of the United States was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL BANKRUPTCY ACT

The bill (H. R. 7066) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was announced as next in order.

Mr. McNARY. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. PEPPER subsequently said: Mr. President, I ask unanimous consent to revert temporarily to Calendar No. 1483, House bill 7066, with the privilege of giving a brief explanation of the bill, a municipal bankruptcy bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. McNARY. Mr. President, I have objected to consideration of the bill.

Mr. PEPPER. Mr. President, I should like to make an explanation of the bill if I may do so. I think perhaps the best summary of the nature of the bill which can be found appears on page 3 of the report of the Senate Committee on the Judiciary on Calendar No. 1483, House bill 7066, passed by the House of Representatives and favorably reported by the Senate Committee on the Judiciary. I read from the committee report, as follows:

REPORT OF THE SECTION OF MUNICIPAL LAW OF THE AMERICAN BAR ASSOCIATION (Indianapolis meeting of council, October 1941)

The section recommends the adoption of the following resolution:

"Resolved, That the municipal debt readjustment provisions of the Federal Bankruptcy Act should not be allowed to expire June 30, 1942, and that the municipal law section is authorized to represent the association at congressional hearings if legislation deferring that date of expiration is introduced in the Congress of the United States."

REPORT

The existing municipal debt readjustment provisions of the Federal Bankruptcy Act were originally adopted in 1937 and as since extended will expire June 30, 1942, by their own terms of limitation. Their constitutionality was sustained by the United States Supreme Court in the Bekins case in 1937. Debt adjustments under the act have been numerous, and have been confined largely to the Southern and Southwestern States.

Proceedings under the act have been comprehensively studied by a committee of the municipal law section under the title of Municipal debt readjustments under the Federal Bankruptcy Act, and have been fully discussed at meetings of the section. It is the conclusion of the section that the results of the proceedings have been advantageous to both bondholders and the municipalities.

It is reported to the section that there are numerous important situations in which proceedings will be necessary but cannot be instituted prior to the present expiration date.

The municipal law section favored the extension of 1939 and now urges the association to approve a further extension.

The report of the committee also contains the following resolution, adopted by the house of delegates of the American Bar Association at the 1941 Indianapolis meeting:

RESOLUTION ADOPTED BY HOUSE OF DELEGATES OF THE AMERICAN BAR ASSOCIATION AT 1941 INDIANAPOLIS MEETING

(P. 175, Printed Reports of American Bar Association, vol. 66)

Resolved, That the municipal debt readjustment provisions of the Federal Bankruptcy Act should not be allowed to expire June 30, 1942, and that the municipal law section is authorized to represent the association at congressional hearings if legisla-

tion deferring that date of expiration is introduced in the Congress of the United States.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. PEPPER. If the Senator will permit me to do so, I should like to say one further word, and then I shall yield.

Mr. President, the report also states the number of cases which are pending in various States and the number of municipalities which are affected by the legislation. The necessity for its extension arises out of the fact that the law would expire on June 30 of this year, and that even the cases which are now being considered by the courts could not be terminated in a proper way if the extension is not made possible.

My colleague in the Senate introduced a bill with our joint concurrence to extend the operation of the law for 2 years, but meanwhile the present bill came through the House of Representatives extending it 4 years. So the Senate Committee on the Judiciary simply substituted the House bill for the Senate bill, and it comes here with a favorable report from the Senate Committee on the Judiciary, which at three different times had the matter before it. The committee held hearings at an earlier session; it did not hold hearings at the latter sessions because it was already familiar with the subject. The committee held hearings and recommended that the bill pass. The bill proposes no change in the present law except an extension of the Municipal Compositions Act from June 30, 1942, to 4 years from that date.

Now I yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. Mr. President, I concur in everything the Senator has said with respect to the bill. In Colorado some irrigation and drainage districts, which are undergoing bankruptcy, very badly need the extension provided for in the measure. I hope the bill may be considered and enacted because the time is very limited.

Mr. PEPPER. Mr. President, let me ask the Senator from Oregon [Mr. McNARY], who has objected to present consideration of the bill, if the explanation is of any help to him.

Mr. McNARY. The explanation is satisfactory. The able Senator from Colorado also explained it to me. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of House bill 7066?

There being no objection, the bill (H. R. 7066) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was considered, ordered to a third reading, read the third time, and passed.

ESTATE OF ORION KNOX

The Senate proceeded to consider the bill (H. R. 4923) for the relief of the estate of Orion Knox, deceased, which had been reported from the Committee on Claims with an amendment on page 1, line 6, after the words "the sum of",

to strike out "\$10,634.95" and insert "\$5,000."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

MRS. JESSIE A. BEECHWOOD

The Senate proceeded to consider the bill (H. R. 5317) for the relief of Mrs. Jessie A. Beechwood, which had been reported from the Committee on Claims with amendments, on page 1, line 5, after the words "sum of", to strike out "\$2,500" and insert "\$1,000", and in line 7, after "United States", to strike out "for compensation and for reimbursement for certain expenses incurred."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

MADELEINE HAMMETT AND OTHERS

The Senate proceeded to consider the bill (H. R. 5854) for the relief of Madeleine Hammett, Olive Hammett, Walter Young, the estate of Laura O'Malley Young, deceased, and the legal guardian of Laura Elizabeth Young, which had been reported from the Committee on Claims with amendments, on page 1, line 6, after the words "the sum of", to strike out "\$6,357.44" and insert "\$5,000"; in line 7, after the words "the sum of", to strike out "\$500" and insert "\$100"; at the beginning of line 9, to strike out "\$1,000" and insert "\$768.46"; in line 10, after the words "the sum of", to strike out "\$5,500" and insert "\$5,000"; and on page 2, line 2, after the words "the sum of", to strike out "\$1,000" and insert "\$100."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ANDREW J. BISSINGER—ADJUSTED-SERVICE CERTIFICATE

The bill (H. R. 3337) to provide for the issuance of a duplicate adjusted-service certificate to Andrew J. Bissinger, was considered, ordered to a third reading, read the third time, and passed.

Mr. GEORGE subsequently said: Mr. President, when Calendar No. 1438, House bill 3337, was called, there was no objection, and the bill was passed. I have examined the report of the Veterans' Administration on that bill, and I ask unanimous consent for the reconsideration of the votes by which the bill was ordered to a third reading, read the third time, and passed, and that the bill be referred to the Committee on Finance.

Mr. THOMAS of Utah. Mr. President, may I ask for an explanation as to why the bill should be referred to the Committee on Finance? It is a Military Affairs Committee bill.

Mr. GEORGE. It was passed on by the Military Affairs Committee; but let me say to the distinguished Senator

from Utah that it involves proposed legislation having to do with a veteran of the World War. The Finance Committee has exclusive jurisdiction of adjusted compensation, disability allowances, and all special relief bills having to do with veterans of the World War. For that reason I have asked that the votes be reconsidered and that the bill be referred to the Committee on Finance. I did not do so until I read the report of General Hines.

The case is somewhat peculiar. There seems to be some merit in the bill. At the same time, the Veterans' Administrator has advised against the passage of the bill, for what seem to me to be very substantial reasons. I therefore ask that the bill be sent to the committee which has jurisdiction of the subject matter, so that legislation on this same question may be kept uniform and there may not be one ruling for one veteran and another ruling for another.

Mr. THOMAS of Utah. I shall not object to the request of the Senator from Georgia.

The PRESIDING OFFICER. Without objection, the votes by which the bill was ordered to a third reading, read the third time, and passed, are reconsidered, and the bill will be referred to the Committee on Finance.

DISTINGUISHED SERVICE CROSS TO
RAYMOND P. FINNEGAN

The Senate proceeded to consider the bill (S. 538) granting the Distinguished Service Cross to Raymond P. Finnegan, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

Notwithstanding the provisions of the act of Congress approved May 26, 1928, governing the time limitation for consideration of recommendations for the award of decorations to former Army personnel, that the War Department be, and is hereby, authorized and directed to confer the Distinguished Service Cross upon Raymond P. Finnegan and John P. Cullen, respectively, both formerly corporals of Company G, One Hundred and Sixth Infantry, Twenty-seventh Division, American Expeditionary Forces, for extraordinary heroism in action with the enemy east of Ronssoy, France, during the engagement of September 27, 1918, in the first attack on the outpost position of the Hindenburg line defenses, for which their commanding officers cited them for exceptional gallantry and conduct beyond the call of duty and recommended them for the award of the Distinguished Service Cross.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting the Distinguished Service Cross to Raymond P. Finnegan and John P. Cullen, respectively."

CONTROL OF EXPORTATION OF CERTAIN
COMMODITIES

The bill (S. 2558) to further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities was announced as next in order.

Mr. McNARY. Mr. President, I should like to have a full explanation of the bill.

It does not read in a way to challenge my support. However, my objection may be explained away.

Mr. THOMAS of Utah. Mr. President, by the act of July 20, 1940, an embargo was laid on the exportation of certain materials useful for war purposes. Such exports may be made only under license. The act was limited to June 30, 1942. The reason for the act arose from some difficulties we had over rubber.

The bill would allow the embargo to remain until 6 months after the end of the war or until the act is repealed by concurrent resolution or until the President shall determine that there is no further need for the embargo. The bill would make it possible for the United States to control the exportation of materials which can be used and are used for war purposes. If the present law is not continued, such materials may be purchased by private individuals and find their way into the hands of our enemies.

Mr. TAFT. Mr. President, the objection which occurs to me to the bill as it stands is that it absolutely delegates to the President, without any guide or principle whatever, complete power to prohibit the exportation of anything or everything which may be exported from this country. That power would extend for 6 months after the end of the war. It seems to me that, while it may be necessary to control exports, Congress should at least prescribe some kind of principles or some guidance which may be followed in prohibiting exports.

When the law was originally enacted it was confined to the principle of prohibiting the exportation of commodities which we might need in connection with the manufacture of munitions. The Board of Economic Warfare, entirely disregarding the limitations on that power, has gone ahead and tried to prohibit the exportation of everything. Its legal power to do so has been questioned, and very properly so. It seems to me that if we are to grant such tremendous power, absolutely to shut off all exports from this country, it ought to be based upon some legislative principle which should be followed by the Board of Economic Warfare in making such prohibitions. The policy seems to me to be of such importance that I object to the consideration of the bill at this time under the 5-minute rule.

Mr. THOMAS of Utah. Mr. President, if the Senator objects, I think we ought to put the Senate on notice that the present law expires on June 30. As the Senator from Ohio says, the law operates through Executive orders by the President. Through such Executive orders the powers have actually been expanded, and the Board of Economic Warfare is actually doing things which it was not assumed would be done in peacetime when the law went into effect. However, we are now at war; and if the present law is permitted to expire on June 30, we may find ourselves in great difficulty with respect to the exportation of materials which should not be exported at the present time.

Mr. TAFT. I shall have no objection to consideration of the bill on Thursday, if the Senator wishes to take it up at that

time; but I should like to have an opportunity to examine it a little more thoroughly before it is actually debated on the floor of the Senate.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL COMPENSATION FOR CUSTODIAL EMPLOYEES OF DISTRICT OF COLUMBIA BOARD OF EDUCATION

The Senate proceeded to consider the bill (H. R. 6899) to exempt custodial employees of the District of Columbia Board of Education from the operation of the provisions of section 6 of the Legislative, Executive, and Judicial Appropriation Act approved May 10, 1916, which had been reported from the Committee on the District of Columbia, with amendments, on page 1, line 9, after the name "Columbia" to strike out the words "by reason of any provision, decision, or construction of said section, or acts amendatory thereto"; on page 2, line 9, after the word "schools", to strike out "and for non-recreational purposes"; and in line 14, after the word "compensation", to insert "at a rate not in excess of the rate of pay received as an employee of the Board of Education."

The amendments were agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

BILL PASSED OVER

The bill (S. 2412) to provide benefits for the injury, disability, death, or enemy detention of civilians, and for the prevention and relief of civilian distress arising out of the present war, and for other purposes, was announced as next in order.

Mr. PEPPER. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

LEANNA M. STRIGHT

The bill (H. R. 6598) for the relief of Leanna M. Stright, was considered, ordered to a third reading, read the third time, and passed.

ALEX GAMBLE

The Senate proceeded to consider the bill (H. R. 6410) for the relief of Alex Gamble, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$4,000", and insert "\$2,000."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

PERCY RAY GREER

The Senate proceeded to consider the bill (S. 2363) for the relief of Percy Ray Greer, a minor, which had been reported from the Committee on Claims, with an amendment, on page 1, line 5, after the words "sum of", to strike out "\$1,000", and insert "\$500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized

and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$500 to the lawful guardian of Percy Ray Greer, a minor, of Rayville, La., in full satisfaction of all claims against the United States for compensation for personal injuries sustained by the said Percy Ray Greer on July 19, 1941, as the result of an accident involving a United States Army command car in which he was riding as a passenger: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MINNIE C. SANDERS

The Senate proceeded to consider the bill (S. 2461) for the relief of Minnie C. Sanders, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$5,000", and insert "\$1,500", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Minnie C. Sanders, of the township of Union, Union County, N. J., the sum of \$1,500, in full satisfaction of her claim against the United States for compensation for personal injuries sustained by her when she was struck by a Government motorcycle on the West Point Military Reservation, West Point, N. Y., on June 3, 1940: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAMES E. SAVAGE

The bill (H. R. 5526) for the relief of James E. Savage, was considered, ordered to a third reading, read the third time, and passed.

JEFF ROBERTS

The bill (H. R. 6349) for the relief of Jeff Roberts, was considered, ordered to a third reading, read the third time, and passed.

EDWARD P. REILLY

The Senate proceeded to consider the bill (H. R. 6077) for the relief of Edward P. Reilly, which had been reported from the Committee on Claims, with an amendment, on page 1, line 6, after the words "sum of", to strike out "\$1,500", and insert "\$1,000."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time, and passed.

ALICE W. MILLER

The bill (H. R. 3352) for the relief of Alice W. Miller was considered, ordered to a third reading, read the third time, and passed.

A. H. LARZELERE

The bill (H. R. 5938) for the relief of A. H. Larzelere was considered, ordered to a third reading, read the third time, and passed.

VERNON VAN ZANDT

The bill (S. 2551) for the relief of Vernon Van Zandt was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the status of Vernon Van Zandt, doctor of medicine, 947 West Eighth Street, Los Angeles, Calif., as a United States medical officer, the payments made to him as fees for medical treatment furnished by him during the period from July 16, 1934, to May 1, 1937, inclusive, to employees of the Government entitled to medical care and treatment under the Employees' Compensation Act of September 7, 1916, as amended, be, and the same are hereby, validated.

Sec. 2. The Secretary of the Treasury is authorized and directed to pay to Dr. Vernon Van Zandt, out of any moneys in the Treasury not otherwise appropriated, a sum equal to the total amount refunded by him on account of the payments validated by section 1 hereof.

CHAN TSORK-YING

The bill (H. R. 2419) for the relief of Chan Tsork-ying was considered, ordered to a third reading, read the third time, and passed.

ANNIE BROWN

The bill (H. R. 1349) for the relief of Annie Brown was considered, ordered to a third reading, read the third time, and passed.

G. H. CONDON AND OTHERS

The bill (H. R. 5610) for the relief of G. H. Condon, M. E. Cannon, W. J. Esterle, C. C. Gasaway, James F. Retallick, and L. G. Yinger was considered, ordered to a third reading, read the third time, and passed.

MR. AND MRS. E. P. BALL

The Senate proceeded to consider the bill (H. R. 6184) for the relief of Mr. and Mrs. E. P. Ball, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, after the words "sum of", to strike out "\$3,590.59", and insert "\$2,590.59."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

CLAIM OF CHARLES E. SALMONS

The Senate proceeded to consider the bill (S. 2195) conferring jurisdiction upon the United States District Court for the Western District of Missouri to hear, determine, and render judgment upon

the claim of Charles E. Salmons, which had been reported from the Committee on Claims, with an amendment, on page 2, line 1, after the figures "1941", to insert a colon and the words "Provided, That the judgment, if any, shall not exceed \$5,000", so as to make the bill read:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States District Court for the Western District of Missouri to hear, determine, and render judgment upon the claim of Charles E. Salmons, of Sedalia, Mo., against the United States for compensation for the death of his wife, Nadine Salmons, as a result of a collision between the automobile in which she was riding as a passenger and a United States Army Air Corps tractor on Highway No. 50, near Tipton, Mo., on August 10, 1941: *Provided, That the judgment, if any, shall not exceed \$5,000.*

SEC. 2. In the determination of such claim, the United States shall be held liable for damages, and for any acts committed by any of its officers or employees, to the same extent as if the United States were a private person.

SEC. 3. Suit upon such claim may be instituted at any time within 1 year after the enactment of this act, notwithstanding the lapse of time or any statute of limitations. Proceedings for the determination of such claim, and appeals from and payment of any judgment thereon, shall be in the same manner as in the case of claims over which such court has jurisdiction under the provisions of paragraph "Twentieth" of section 23 of the Judicial Code, as amended.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

STANDARD DESIGN FOR A SERVICE FLAG

The bill (S. 2442) to authorize the Secretary of War to approve a standard design for a service flag was announced as next in order.

Mr. McNARY. Mr. President, there are three bills relating to the same subject matter, Calendar Nos. 1513, 1514, and 1515. I should like to have the bills go over unless they are explained at this time.

The PRESIDING OFFICER. The Senator from South Dakota [Mr. GURNEY] reported Calendar No. 1513, Senate bill 2442.

Mr. McFARLAND. Mr. President, Calendar Nos. 1514 and 1515, Senate bill 481 and House Joint Resolution 303, provide merely for codification of the existing rules and customs pertaining to the display and use of the flag of the United States. No penalty is provided in either measure. Calendar No. 1514, Senate bill 481, is sponsored by the senior Senator from Arkansas [Mrs. CARAWAY]. That bill is identical with House Joint Resolution 303. I move that the Senate proceed to consider House Joint Resolution 303, and, if the joint resolution shall be passed, I shall then move that Senate bill 481 be indefinitely postponed.

The PRESIDING OFFICER. Calendar No. 1513 should be first disposed of.

Mr. McFARLAND. Calendar No. 1513 is not the same as Calendar Nos. 1514 and 1515.

The PRESIDING OFFICER. In pursuance of the regular order, Calendar No. 1513 should be first disposed of.

Mr. McFARLAND. I beg the Chair's pardon; I thought we had reached Calendar No. 1514.

Mr. CLARK of Missouri. Mr. President, I desire to speak on Calendar No. 1513, Senate bill 2442. The bill was introduced by me at the request of the American Legion. It is simply a bill to authorize the Secretary of War to adopt a standard service flag to be displayed, under regulations to be prescribed by him, by the immediate relatives of men in the service.

I shall state the purpose of the bill. There have been a number of different designs for a service flag by various service organizations, and also some private designs, some of which, I understand, have been patented, with the result that there is no standardization and no official emblem which the immediate relatives of men in the service are entitled to display. It is believed that it would be very desirable to permit the Secretary of War to adopt a standard, no matter what it may be, which will then become the recognized emblem for such service flag display, and which then may only be manufactured under license from the War Department, with the idea of eliminating the profit element. I believe that there can be no possible objection to it. The committee also adopted an amendment authorizing the Secretary of War to authorize and adopt a lapel button to be worn by immediate relatives of men in the service. I do not think there can be any possible objection to it, because it simply is in the interest of standardization and authorization.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 2442) to authorize the Secretary of War to approve a standard design for a service flag, which had been reported from the Committee on Military Affairs with an amendment to strike out all after the enacting clause and insert:

That the Secretary of War is authorized and directed to approve a design for a service flag, which flag may be displayed in a window of the place of residence of persons who are members of the immediate family of a person serving in the armed forces of the United States during the current war.

SEC. 2. The Secretary of War is also authorized and directed to approve a design for a service lapel button, which button may be worn by members of the immediate family of a person serving in the armed forces of the United States during the current war.

SEC. 3. Upon the approval by the Secretary of War of the design for such service flag and service lapel button, he shall cause notice thereof, together with a description of the approved flag and button, to be published in the Federal Register. Thereafter any person may apply to the Secretary of War for a license to manufacture and sell the approved service flag, or the approved service lapel button, or both. Any person, firm, or corporation who manufactures any such service flag or service lapel button without having first obtained such a license, or otherwise violates this act, shall, upon conviction thereof, be fined not more than \$1,000.

SEC. 4. The Secretary of War is authorized to make such rules and regulations as may

be necessary to carry out the provisions of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to authorize the Secretary of War to approve a standard design for a service flag and a service lapel button."

CODIFICATION OF RULES AND CUSTOMS PERTAINING TO DISPLAY OF THE AMERICAN FLAG

The bill (S. 481) to regulate and codify existing rules and customs pertaining to the display and usage of the flag of the United States of America, was announced as next in order.

Mr. McFARLAND. Mr. President, I ask unanimous consent that House joint resolution 303, Calendar No. 1515, be substituted for Senate bill 481, and be now considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 303) to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America, which had been reported from the Committee on the Judiciary with amendments.

Mr. McFARLAND. Mr. President, the House joint resolution does not provide any penalty for the misuse of the flag, but simply prescribes what shall be the proper use of the flag, and codifies the rules governing the usage of the flag as they have been established by the Navy and the Army and various organizations in the past.

The PRESIDING OFFICER. The clerk will state the amendments reported by the committee.

The first amendment of the Committee on the Judiciary was, on page 1, after line 9, to insert a new section, as follows:

SEC. 2 (a) It is the universal custom to display the flag only from sunrise to sunset on buildings and on stationary flagstaffs in the open. However, the flag may be displayed at night upon special occasions when it is desired to produce a patriotic effect.

The amendment was agreed to.

The next amendment was, at the beginning of line 5, to strike out "Sec. 2. (a)" and insert "(b)."

The amendment was agreed to.

The next amendment was, at the beginning of line 7 to strike out "b" and insert "c."

The amendment was agreed to.

The next amendment was, at the beginning of page 9, to strike out "(c)" and insert "(d)."

The amendment was agreed to.

The next amendment was, on page 2, line 19, after the date "December 25" to insert "such other days as may be proclaimed by the President of the United States."

The amendment was agreed to.

The next amendment was, on page 2, at the beginning of line 23, to strike out "(d)" and insert "(e)."

The amendment was agreed to.

alone, and there are at least 6 other plants where suitable types are made. The Civil Aeronautics Authority has closed up to 60 percent of all the Nation's airports—due to demands for an elaborate guard and dispatching system—and more than enough airplanes for the patrol could be commandeered from the closed airports in a few Central States. Illinois, among others, could supply the entire requirement of planes for the patrol.

Let us take one of these planes (Piper Club Cruiser) for an example. Here are the performances, weight, range, and other characteristics:

This plane is a standard type found throughout the United States. It weighs 760 pounds empty; will carry a 700-pound load. It will fly as fast as 95 miles an hour and as slow as 45 to 50. It has a 75-horsepower engine that consumes only 5 gallons of fuel an hour. In addition to a pilot and 25 gallons of fuel, plus adequate lubricants, it will carry a pay load (in this case a military load) of 380 pounds.

This 380 pounds can be divided into 300 pounds of depth charges and 80 pounds of radio and a rubber boat.

Engines for these little airplanes are among the most reliable in aviation. They are made in large numbers by a wide variety of companies. They are available and they can easily be maintained. They give assurance of running for long periods of time, an assurance that is required for pilot morale in overwater operations. Cost of operating the engines is less than \$3 per hour, compared with \$3 a minute for high-powered military engines in service types now being used for this work.

A minimum of instruments is necessary. These little planes can fly slowly enough so that great skill in blind flying and blind navigation is definitely not required by their operators. No planes can operate in fog, nor can submarines attack boats in dense fog because of lack of visibility. If caught at sea by fogs that form, the little planes can be flown down close to the water until they reach shore. Safe landings can be made on beaches or into shallow water, if necessary.

I am informed racks to carry depth charges already have been designed and built for these little planes. Such racks can be installed in 4 hours per ship. Obviously, the Navy would supply the bombs and depth charges, and the Army or Navy should supply personnel to service the charges at each base and to man ground radio stations for the patrol.

Definite choosing of patrol fields along the eastern coast should take into account the local terrain, existence or absence of airports, weather factors, and other items. Survey work to pick these locations and get them into shape for patrol flying would require only a short time.

Where necessary, pontoons could be fitted and natural harbors, sheltered bays, and so forth, could be utilized as bases.

Highways and trucking would make supply problems easy in solution.

In considering the patrols and special techniques for their flying could easily be worked out. The point is that the little planes, used in recommended numbers would cover the patrol zone so frequently that no given spots would escape the eyes of observers, except in extraordinary weather conditions, for periods of longer than a few minutes. In other words, an airplane would be over any given spot in any point on the zone at frequent intervals. The present patrols cannot approach this record for frequency and speeds of patrol planes are so great that observation is cursory at best. There are vast stretches of coastline that cannot conceivably be covered with the present limited equipment and men.

If there is any refueling of enemy submarines from coastal points or from coastal

boats, it certainly would be halted under this system. No point, however, remote, would be left unguarded either by day or night. Activities necessary for refueling submarines would certainly be spotted.

On such a patrol there would undoubtedly be losses of planes and men. There would be losses forced by weather, by accidents, by limitations in experience and skill. The patrol would of necessity be a volunteer service. Inquiry among the pilots in Illinois shows that sufficient men to provide for the operation of the entire patrol could be recruited in a few days by asking for volunteers in this State alone. I understand that some 500 pilots in my State have shown their willingness to serve their country in any capacity and specifically in this one.

There would constantly be observers in the air who would cover the entire zone, 50 miles to sea, at frequent intervals. It would be an armed patrol, able to strike at enemy subs. It would be able also to call up the Navy's regular forces, by air or sea, to assist. There could be no extended attacks on surface vessels without having three or four patrol planes quickly arriving on the scene with their depth bombs, and radios calling up heavier attack units.

A submerged submarine is defenseless against an aircraft, and this point is the crux in the tactics that would be used.

Suppose a patrol plane sighted a sub. If the sub is on the surface, the patrol ship would circle and immediately call for heavy Army or Navy units. If the sub crash-dives upon sighting the patrol ship, the patrol pilot can dive on the submarine, fly down to within 10 feet of the water above the diving sub and drop its depth charges. No practice or great accuracy would be required to put charges within killing distance of the sub under these conditions. Under the recommended patrolling system several of the patrolling aircraft could be called to the scene where any one of them had sighted a sub within a few minutes after the first alarm sounded.

There could be no repetition of the bold, daylight attacks, prolonged over a period of 20 minutes to 3 hours that have already occurred.

For night operations slightly different techniques can be used. Every vessel leaves a visible wake in traveling over the surface of the sea. Wakes are visible for miles to air patrols. Submarines on the surface or surfaced enough to have periscopes out leave wakes. These could be seen at night from the air.

Probably the best system would be to constantly cover each vessel proceeding through each zone during the night. Vessels operating north or south (along the Atlantic coast, for example) would be known. They would be picked up at dusk and planes would fly a constant patrol over them throughout the hours of darkness. Additional methods and alternative methods and devices could be adopted or developed to fit any special conditions or situations, as experience teaches.

The British operated just such a patrol as is suggested here around the coasts of England in the World War of 1914-18. It was flown in ships with performance almost exactly comparable to that of the types suggested here. This patrol broke up the submarine menace around the British coasts. Pilots who flew this patrol objected to it after the first few weeks because submarines disappeared and submarine activity ceased, and the patrol was a monotonous one.

At this time the Army and Navy are conducting patrols with a wide variety of planes. A few Civil Air Patrol ships have been used in a cautious patrol that went only 15 miles to sea and carried only radio. A large number of the Army planes now used have been armed only with machine guns, which are almost completely impotent against sub-

marines. Also both the Army and Navy planes that have been used have been high-speed planes that limit their observation, and only a very limited number of bases from which they could be operated.

This submarine warfare off our coasts has become a critical affair. It is as much a crisis as was Dunkirk when British yachtsmen, tugboatmen, and others took their boats, pleasure launches, antique ferryboats, and everything else that would float to carry back to England a few soldiers. No one asked the skippers if they were civilians or navy.

The sportsmen pilots of our entire country are as ready and willing to risk their own lives as were the British. And they can do as effective a job. We believe they should have some sort of regular service supervision over them.

From the Minute Men of Lexington through Indian wars to Dunkirk, to the guerrilla fighting in Serbia, Russia, and elsewhere in conquered nations, there are numberless precedents for using men from civil life as direct auxiliaries to military forces.

We talk of civilian defense and plan black-outs and appoint block captains to tell and teach us how to hide from the flying sons of our enemies when and if they fly thousands of miles to destroy our cities and plants and war producing facilities, but we ground our own civilian pilots and planes while our enemies sink our ships within sight of our shores.

Why freeze our civilian planes and pilots to the ground while our ships and our tankers go down and our American sailors burn in oil within sight of our shores?

On March 31, 1942, I introduced Senate Resolution 233, asking for the appointment of a special Senate committee to investigate and encourage the advanced training of the preliminary essentials of future airmen into our high schools and other educational institutions throughout our entire land. Promptly the United States Commissioner of Education answered that the Government would institute this in a vastly increased manner. I commend that action, and I urge again the appointment of this special committee to determine to what extent this work is being and will be increased.

I urge further that we investigate and encourage the establishment of a vastly enlarged specialist civilian corps of already trained pilots with already available planes to search out and destroy enemy submarines and provide a constant umbrella of air protection to our men and materials within sight of our American shores.

Mr. BROOKS. Mr. President, no Nation in the history of the world ever undertook so gigantic a war enterprise as we have assumed; to meet so many formidable enemies so many thousands of miles from our shores. To conquer them will mean the tremendous sacrifice of human life; it will mean the loss of materials and supplies that will burden this Nation for generations to come.

The American people are willing to make any sacrifices necessary abroad or at home, but everyone knows that to win this war means ships and more ships, and certainly we should utilize every available instrument at our command to save these ships within sight of our American shores.

I sincerely urge those Members of this body who have influence with the administration to use their every influence to see that all these planes, if necessary, and pilots, and all other available resources are used, and, at once, to save these ships.

It will mean not only saving the ships themselves, but it will mean supplies for our country. It means supplies for our soldiers. It means support for our Allies. It may mean winning the war.

EXPORT CONTROL OF CERTAIN COMMODITIES

Mr. THOMAS of Utah. Mr. President, I desire to present a matter which will take but a moment or two. On the last calendar day the Senate considered Calendar No. 1490, Senate bill 2558, which proposes to continue in effect the embargo provision of the act of July 2, 1940. That provision of the act would come to an end by law on June 30 this year; so prompt action is now necessary.

Objection was made to the consideration of the bill by the Senator from Ohio [Mr. TAFT]. He had no objection to the theory of the bill, but he did object to the wording. I am ready to offer two amendments which are acceptable to him. The first is an amendment to the committee amendment on page 2, line 21, so that it will read:

The authority granted by this section shall terminate on June 30, 1944, or upon any prior date which the Congress by concurrent resolution, or the President, may designate—

And so forth.

The PRESIDING OFFICER. The clerk will read the bill by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 2558) to further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment on page 2, after line 10, to strike out:

"(d) The authority granted in this section shall terminate upon the date of a proclamation by the President, declaring that the continuance of the authority granted hereunder is not necessary in the interest of the national defense and security; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense."

And insert:

"(d) The authority granted by this section shall terminate upon the expiration of 6 months following the termination of the war or upon any prior date which the Congress by concurrent resolution, or the President, may designate; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense."

The PRESIDING OFFICER. The amendment of the Senator from Utah to the amendment will be stated.

The CHIEF CLERK. In the amendment of the committee on page 2, line 21, after the word "terminate", it is proposed to strike out "upon the expiration of six

months following the termination of the war," and to insert "on June 30, 1944."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. THOMAS of Utah. I now offer an amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 1, it is proposed to strike out the comma after the word "Warfare" and insert a period, and to strike out "in conformity with the President's Executive order of September 15, 1941 (Numbered 8900, 6 F. R. 4795-6), as amended by Executive order of December 17, 1941 (Numbered 8982, 6 F. R. 6530)."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANTIRACKET LEGISLATION

Mr. HOLMAN. Mr. President, on March 9 last I introduced Senate bill 2347, intended to strengthen the Antiracketeering Act of 1934. My bill is being considered by a subcommittee of the Senate Committee on the Judiciary. Since I may soon depart for the West with a subcommittee of the Senate Committees on Public Lands and Military Affairs, I may not be present, should the committee report my bill, I therefore now ask unanimous consent to have printed as a part of my remarks, the text of an article published last Saturday in the Packer, a newspaper, as a result of an interview which I gave on the subject treated by my bill.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REVIVED INTEREST IN ANTIRACKET BILL IN SENATE—FAVORABLE HOUSE COMMITTEE REPORT ON NEW HOBBS BILL APPEARS TO HAVE RENEWED SENATE INTEREST IN HOLMAN BILL

WASHINGTON, D. C., June 12.—A favorable House committee report upon the new Hobbs antiracketeering labor bill appears to have forced a revival of Senate interest in the Holman bill (S. 2347). This bill proposes to strengthen the Anti-Racketeering Act of 1934 as it applies to interference with trade or commerce by violence, threats, coercion, or intimidation. The bill, according to its author, would remove the clause in the Act of 1934 upon which a portion of the majority report of the Supreme Court in the case of Local 807, New York City, was based.

Introduced in early March the Holman bill was brought to initial hearings before a Senate subcommittee on the judiciary on March 25. Hearings were not resumed, however, until June 5, when representatives of the National League of Wholesale Fresh Fruit and Vegetable Distributors, Farm Bureau, National Grange and other organizations asked that, to avoid laborious repetition, the testimony before the House subcommittee on the Hobbs bill be accepted by the Senate group. The request was granted with the proviso that revised or new testimony might be added by request to that presented before the House subcommittee.

Senator HOLMAN, of Oregon, author of the Senate bill, is making a determined effort to bring forth a favorable report on his bill by the Senate subcommittee. The Senator has

been a consistent supporter of antiracketeering legislation despite the opposition of the administration to labor legislation at this time.

Lashing out at the administration's attitude toward labor racketeering, Senator HOLMAN this week said:

"The President and his apologists have stated that strikes have not been a serious factor in retarding production—that only a negligible percentage of the industries of the Nation have been involved in strikes. Bear in mind that the mainspring of my watch is but a trifling percentage of the cost or bulk of the watch, yet without the mainspring the watch would be worthless as a timepiece. So it is with the manufacture of airplanes and all other pieces of complicated mechanisms. This is a machine war. The lack of a part destroys the utility of the whole.

"I have opposed the President's policy of fostering strike-masters and the racketeers of honest labor and I have introduced bills intended to terminate the present intolerable conditions which are retarding, possibly disastrously, the war efforts of our Nation. However my bills are reposing in committee, undoubtedly in compliance with the President's ideas. Again let us examine the record:

"March 2, 1942.—Decision of Justice Byrnes registering the majority opinion of the Supreme Court (Chief Justice Stone dissenting) held in effect that the use of force and violence was not incompatible to the lawful settlement of disputes between employers and employees and suggesting legislation.

"March 9, 1942.—I introduced S. 2347, intended to cure the outrageous situation confirmed by the above Supreme Court opinion.

"March 25, 1942.—Hearing of the Senate Judiciary Committee on bill No. S. 2347.

"June 5, 1942.—Hearing of the Senate Judiciary Committee on bill No. S. 2347.

"June 9, 1942.—There the matter rests, 3 months after filing the Supreme Court's devastating opinion.

"During the last 9 years there has been fostered and there has developed a regulating force in our country which in some respects has superseded the constituted authorities, both local and Federal.

"It seems to me if constituted government countenances the exercise of civic authorities by those other than the officers of the law, and the use of force and violence by some persons—both aliens and citizens—to enforce their wills upon other persons, government, to be consistent and fair, must permit all persons—not only the racketeers of honest labor—to resort to force and violence to enforce their wills on all other persons; then we shall have anarchy and chaos or serfdom of the submissive weak under the tyranny of the ruthless strong.

"Do you realize that it has come to pass during the Roosevelt administration whereby I can prevent the delivery of your mail, providing I represent myself as being a member or agent of a group operating under the administration's approved policies of enforcing its decrees? Do you realize that I can prevent your use of the public highways or of the public sidewalks, and I can prevent you from entering places of business, providing I represent myself as being a member or the agent of a group operating under the administration's approved policies of enforcing its decrees? Do you realize that I can force you to pay tribute to me to obtain employment in industry, commerce, or trade providing I represent myself as being a member or the agent of a group operating under the administration's approved policies of enforcing its decrees?

"In my opinion those public officials who fail to enforce the laws which they have taken an oath to maintain should be separated from the public service forthwith either by discharge, recall, or impeachment as the available means for such purpose may require; but not being a lawyer I have only the

or resolution and not by a rider on an appropriation bill.

Mr. VINSON of Georgia. Mr. Speaker, will the gentleman yield to me?

Mr. MAHON. I yield.

Mr. VINSON of Georgia. In support of the statement made by the distinguished gentleman from Missouri [Mr. COCHRAN] I fully agree with the position of the Comptroller General. Of course it has had an effect upon the Naval Affairs Investigating Committee to the extent that last week some 25 of the auditors and accountants had to go back to the departments.

I have taken this matter up with the Comptroller General, Mr. Warren, and they have worked out a joint resolution which I have given to the distinguished chairman of the Committee on Accounts, and I am glad to know that the matter will be taken up before that committee on Wednesday, and we can follow out the procedure suggested by the Comptroller General.

I think the committee has done a wise thing in eliminating from this bill the so-called McCarran amendment, because it has no bearing on anything in this bill, and it should be dealt with by the Committee on Accounts, so that the Accounts Committee can control the situation with reference to money being appropriated to reimburse departments for the personnel that may be sent to special investigating committees.

Mr. MAHON. I thank the gentleman and I agree with the gentleman's statement that that amendment had no place in the bill.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield.

Mr. STEFAN. I wish to say to the distinguished gentleman from Georgia [Mr. VINSON] and the distinguished gentleman from Missouri [Mr. COCHRAN] that much of the information they have given us outside of the House had a great deal to do with the action of your committee in insisting upon our stand on this particular item. Originally we felt that it had nothing to do with this bill at all, and we are very happy that the House approves of our position.

I am sure that we had the same sympathetic feeling on the other side of the Capitol.

The SPEAKER. A motion to reconsider the various votes by which the amendments were acted upon is laid on the table.

FEDERAL SURPLUS COMMODITIES CORPORATION

Mr. PACE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table House Joint Resolution 311, continuing the Federal Surplus Commodities Corporation as an agency of the United States, with a Senate amendment, and agree to the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 5, strike out "1947" and insert "1945."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. HOPE. Mr. Speaker, reserving the right to object, as I understand it, when the resolution was passed it extended the life of this corporation for 5 years. The Senate has amended that by changing it to 3 years.

Mr. PACE. Yes; which is in accord with the individual views of the gentleman from Kansas at the time it was proposed.

Mr. HOPE. That is correct.

The SPEAKER. Is there objection?

There was no objection.

The Senate amendment was agreed to. A motion to reconsider was laid on the table.

AMENDMENT OF SECTION 13 (D) OF THE RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. PEARSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill H. R. 7212 to amend section 13 (d) of the Railroad Unemployment Insurance Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOLMES. Mr. Speaker, reserving the right to object, and I shall not, will the gentleman from Tennessee explain the bill, the reason for the emergency?

Mr. PEARSON. Mr. Speaker, this bill affects only the State of Kentucky, and the necessity for it arises out of the very peculiar situation as a result of the passage of the Railroad Unemployment Insurance Act of 1939. Prior to the passage of that act the States administered their own unemployment compensation laws. When the act became effective it required all the States to turn into the Federal insurance fund moneys they had previously collected from employers. In order to make the States comply with this provision the act carried a proviso that any State which failed to turn in those funds by July 1, 1940, would be deprived of Federal grants under the Social Security Act. The State of Kentucky through its general assembly undertook to comply with the Federal act and passed a law which authorized the turning in of the funds which had been collected by July 1, 1940, but the court of highest jurisdiction in Kentucky held that act of the general assembly to be unconstitutional and invalid. As a result Congress was called upon to extend the time within which the State of Kentucky could comply to July 1, 1942, whereupon the General Assembly of Kentucky passed a second law. Again the court of highest jurisdiction of Kentucky declared it unconstitutional, but pointed out a way whereby the general assembly could meet the situation. The pending bill simply extends the time of compliance on the part of the State of Kentucky until July 1, 1944, or sooner if a special session of the legislature can be called.

Mr. HOLMES. Mr. Speaker, will the gentleman yield?

Mr. PEARSON. I yield.

Mr. HOLMES. The act passed 2 years ago was unanimously approved by the Committee on Interstate and Foreign Commerce.

Mr. PEARSON. That is true.

Mr. HOLMES. This law expires on July 1 of this year, and in order that there may be another moratorium, an extension of time to give Kentucky an opportunity to carry out certain legal instructions which the court has actually placed on them, the pending bill is now found necessary.

Mr. PEARSON. That is correct. Unless this bill is passed that State will be penalized for something it has tried desperately to correct. I may say to the House in connection with this bill that the Committee on Interstate and Foreign Commerce has reported it unanimously. It has the approval of the Federal Security Agency, the Railroad Retirement Board, and the Railway Executives' Association. It is highly important that the bill be passed before July 1 next.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the proviso contained in the third paragraph of subsection (d) of section 13 of the Railroad Unemployment Insurance Act, as amended (which proviso relates to the postponement of withholding from certification for payment to States, in certain cases, of amounts for the administration of State unemployment compensation laws) is amended as follows:

(1) By striking out "until July 1, 1942" and by inserting in lieu thereof the following: "until July 1, 1944, or until a date 180 days after the adjournment of the first session of the legislature of such State beginning after July 1, 1942, whichever date is the earlier"; and

(2) By adding at the end of such proviso the following sentence: "An enactment of any State legislature providing for the transfer (from the State's account in the Unemployment Trust Fund to the railroad unemployment insurance account of all interest earned upon contributions which are collected with respect to employment occurring after such enactment by such State pursuant to its unemployment compensation law and credited to its account in the Unemployment Trust Fund (until the total of such transfers equals the amounts which otherwise would be required to be withheld from certification under this subsection), shall be deemed an effective authorization and direction to the Secretary of the Treasury as required by this subsection: *Provided, however,* That if at any time after such enactment the provision for transfer therein contained for any reason fails to be operative to effect the transfers of interest as therein prescribed, and such State has not otherwise made an effective authorization and direction to the Secretary of the Treasury as required by this subsection, the Social Security Board shall immediately after such failure or, on the date otherwise provided in this subsection for the beginning of withholdings from certification, whichever is later, begin to make the withholdings from certification provided for in this subsection in the same manner and to the same extent as if such enactment by such State had not been enacted, except that the amounts of the certifications withheld shall be reduced by the total amount, if any, which has been transferred from interest pursuant to such enactment."

With the following committee amendments:

Page 2, line 9, after the word "account", insert a parenthesis.

Page 2, line 17, after the word "subsection", change the colon to a semicolon and insert

after the semicolon "and for purposes of computing how the interest to be so transferred, amounts withdrawn by such State from its account in the unemployment trust fund after the date of such State enactment shall be considered to be a first charge against the amounts credited to such State's account prior to the date of such State's enactment."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CONTROL OF THE EXPORTATION OF CERTAIN COMMODITIES

Mr. MAY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2558) to further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities, which is on the Speaker's table.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I understand this Senate bill is in the nature of an amendment to the act of July 2, 1942, and that it provides a termination date of June 30, 1944.

Mr. MAY. The gentleman is correct. It extends the existing statute until June 30, 1944. The statute otherwise would expire on the 30th day of this month.

Mr. MARTIN of Massachusetts. I have no objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act of July 2, 1940 (54 Stat. 714) is hereby amended to read as follows:

"Sec. 6. (a) The President is hereby authorized to prohibit or curtail the exportation of any articles, technical data, materials, or supplies, except under such rules and regulations as he shall prescribe.

"(b) Unless the President shall otherwise direct, the functions and duties of the President under this section shall be performed by the Board of Economic Warfare.

"(c) In case of the violation of any provision of any proclamation, rule, or regulation issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than 2 years or by both such fine and imprisonment.

"(d) The authority granted by this section shall terminate on June 30, 1944, or upon any prior date which the Congress by concurrent resolution, or the President, may designate; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PROVIDING FOR THE BETTER ADMINISTRATION OF OFFICER PERSONNEL OF THE NAVY DURING THE EXISTING WAR

Mr. VINSON of Georgia. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7160) to provide for the better administration

of officer personnel of the Navy during the existing war, and for other purposes.

The Clerk read the title of the bill.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the bill?

Mr. VINSON of Georgia. Mr. Speaker, under the reservation of objection of the distinguished minority leader, I shall take a few minutes to make an explanation of what this bill does, because it is a very important bill.

The pending legislation has for its purpose the suspending during the period of the present emergency or war, what is known as the permanent selection law. It affects every officer in the Navy in reference to the matter of promotion. Under the law today officers are promoted by what is known as the selection system; that is annually a board meets and passes on the records of the officers to fill vacancies.

As you know, under the system in the War Department, all promotions are made by seniority. The Navy does not follow that system. The Navy keeps a record of all officers, which is kept in their individual files in the Navy Department, and annually the Secretary appoints a board consisting of nine officers to go over the records of the various officers to determine who is best fitted for a vacancy that may exist.

This bill during the emergency suspends that law and permits the Navy to bring into effect what is known as temporary promotions. We recently passed a bill providing for temporary promotions, and that will take the place of the permanent promotions of the officers under the permanent selection system.

In the Navy there are so many officers authorized, based upon the enlisted strength. For instance, for every 100 officers there is allowed by law 1 admiral, 4 captains, 8 commanders, 15 lieutenant commanders, 30 lieutenants, and 42 junior lieutenants and ensigns. This suspends the operation of that law for the reason that in the war it is impossible to say how many lieutenant commanders, how many commanders, how many captains, and so forth, you may need; therefore there must be a flexibility on account of the losses sustained in the various ranks and the needs of the service.

There are other things in this bill dealing with personnel, but the fundamental purpose of it is to set aside for the time being the method of promotion by a selection board and apply the principle of temporary promotion. In the committee report, which is carefully drawn, you will see a complete analysis of every section of the bill, showing exactly how the bill affects the various establishments. The Navy Department, since this bill has been reported out of the committee, called my attention to certain amendments that I will offer if unanimous consent is given to consider this bill.

We held a hearing on this bill. The Personnel Division of the Navy Department recommends it. It is an administration measure, and after we went into it thoroughly and carefully the Committee on Naval Affairs unanimously reported the bill.

That, briefly, is what the bill seeks to do, but I want to say—and I want to be frank and candid—this is important legislation, because it sets aside for the emergency the method of promotion heretofore used and goes to the temporary promotion system instead of what is known as the selection system heretofore established for the Navy.

Mr. MARTIN of Massachusetts. When the gentleman says "temporary" he means until after the war?

Mr. VINSON of Georgia. No. During the emergency or during the war, under a previous bill, the Secretary of the Navy could grant a temporary promotion to an officer and that holds during the period of the emergency. If he retired, he would retire with that rank to which he has been temporarily promoted. For instance, a great many officers have been recently given temporary promotions for bravery. The naval officer who shot down six planes out in the Pacific recently has been made a lieutenant commander temporarily. After the war is over he may revert back to his former permanent rank.

Mr. MARTIN of Massachusetts. Then this would be permanent legislation?

Mr. VINSON of Georgia. No. This only holds good for 1 year after the emergency expires. Prior to the expiration of this law and after the war selection boards will be convened to pass on officers and confirm in their temporary grades those officers who have fully demonstrated their fitness for promotion.

Mr. MARTIN of Massachusetts. I know how the method works, but do the positions that are given now become permanent?

Mr. VINSON of Georgia. No; they are only temporary. No officer now gets a permanent promotion because we are suspending that law. We are putting in the place of that law a principle enacted some time ago of temporary promotions.

Mr. MARTIN of Massachusetts. For instance, if I am made a captain by this method, being a commander now, would I after the war go back and have to be approved in order to retain my rank as captain?

Mr. VINSON of Georgia. You would unless the old selection system comes into effect, picks you up, and makes you a permanent captain.

The SPEAKER pro tempore (Mr. BULWINKLE). Is there objection to the request of the gentleman from Georgia [Mr. VINSON]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of existing law insofar as they relate to periodic computations for the purpose of determining the authorized number of commissioned officers in the various grades of the line of the Regular Navy and of the Marine Corps, the permanent promotion or advancement of all officers of the Navy and Marine Corps, and the involuntary retirement or honorable discharge of commissioned officers of the Navy and Marine Corps by reason of failure of selection for promotion or advancement or upon the completion of designated periods of commissioned service, are hereby suspended: *Provided*, That an officer who on the date of this act has been recommended for permanent promotion or advancement by the approved report of a selection board, or who has

April 1900



[PUBLIC LAW 638—77TH CONGRESS]

[CHAPTER 461—2D SESSION]

[S. 2558]

AN ACT

To further expedite the prosecution of the war by authorizing the control of the exportation of certain commodities.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Act of July 2, 1940 (54 Stat. 714) is hereby amended to read as follows:

“SEC. 6. (a) The President is hereby authorized to prohibit or curtail the exportation of any articles, technical data, materials, or supplies, except under such rules and regulations as he shall prescribe.

“(b) Unless the President shall otherwise direct, the functions and duties of the President under this section shall be performed by the Board of Economic Warfare.

“(c) In case of the violation of any provision of any proclamation, rule, or regulation issued hereunder, such violator or violators, upon conviction, shall be punished by a fine of not more than \$10,000, or by imprisonment for not more than two years, or by both such fine and imprisonment.

“(d) The authority granted by this section shall terminate on June 30, 1944 or upon any prior date which the Congress by concurrent resolution, or the President, may designate; except that as to offenses committed, or rights or liabilities incurred prior to such date, the provisions of this section and such rules, regulations, and proclamations shall be treated as remaining in effect for the purpose of sustaining any suit, action, or prosecution with respect to such right, liability, or offense.”

Approved, June 30, 1942.

July 1st 673

